



# Brownfields Cleanup Revolving Loan Fund Pilot

## *Alabama Department of Environmental Management*

### BACKGROUND

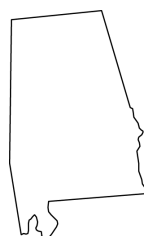
Alabama's economic base historically has been rooted in the agricultural, manufacturing, textile, and chemical production sectors. Many Alabama towns were built around one primary industrial employer in these sectors. As a result of social and economic shifts, many communities are now saddled with numerous underused and vacant properties. Many of these properties have real or perceived contamination that prevents prospective buyers from cleaning up and redeveloping the properties, particularly those located in inner cities or very rural areas. Communities across the state are struggling. Sixteen percent of the state's residents live in poverty. Statewide unemployment is 4.7% with pockets of unemployment in rural areas as high as 16.5%. Alabama is ranked 42nd nationally for per capita income.

Alabama Department of Environmental Management (ADEM) has conducted assessments at nearly 400 sites across the state, including sites at all six of the Brownfields Assessment Pilots in the state. While some of the sites assessed by ADEM have been redeveloped, many remain unused or underused because of a shortage of cleanup funding. The Alabama Land Recycling and Economic Redevelopment Act, passed in May 2001, provides the framework for instituting a voluntary assessment and cleanup program by the state. The new voluntary cleanup program will encourage private investment in the cleanup and redevelopment of brownfields in the state.

### BCRLF OBJECTIVES

ADEM's goal will be to provide short-term financial solutions for economically challenged brownfields in order to restore businesses to economically feasible locations, improve the lives of residents in lower-income or minority areas, curb urban sprawl, slow greenfields development, and increase municipal tax bases. Capitalization of a

### PILOT SNAPSHOT



*State of Alabama*

**Date of Announcement:**  
May 2002

**Amount:** \$1,000,000

**BCRLF Target Area:**  
Sites throughout the State of  
Alabama

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#### Contacts:

Alabama Department of  
Environmental Management  
(334) 271-7730

Region 4 Brownfields  
Coordinator  
(404) 562-8682

Visit the EPA Region 4 Brownfields web site at:  
<http://www.epa.gov/Region4/waste/bf/index.htm>

For further information, including specific Pilot contacts,  
additional Pilot information, brownfields news and events, and  
publications and links, visit the EPA Brownfields web site at:  
[www.epa.gov/brownfields](http://www.epa.gov/brownfields)

BCRLF program will allow the state to leverage public, municipal, and private funds for the cleanup of properties.

ADEM will use the BCRLF funds for loans for non-time-critical removals at brownfields across the state, with priority to those areas that demonstrate the greatest social and economic need. The potential creation of jobs, potential benefit to the communities, and plans for sustainable redevelopment also will be taken into consideration in determining loan recipients.

## FUND STRUCTURE AND OPERATIONS

The Alabama Department of Environmental Management is the cooperative agreement recipient and will serve as the lead agency and site manager. A fund manager has not yet been determined. Potential fund management mechanisms include establishing an authority through legislation or designating a nonprofit organization as fund manager.

## LEVERAGING OTHER RESOURCES

ADEM will support efforts by loan recipients to obtain additional financing for cleanup of brownfields through Industrial Development Grants, Community Development Block Grants, Community Redevelopment Grants, and Small Business Administration Grants. Additionally, those sites located in Enterprise Zone and Enterprise Communities may be eligible for federal, state, and local tax credits.

*Use of BCRLF Pilot funds must be in accordance with CERCLA, and all CERCLA restrictions on use of funding also apply to BCRLF funds.*